New Management for SAIL

1191. SHRI PREM CHAND GUPTA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the losses suffered by Steel Authority of India Ltd. (SAIL) have been increasing every year;

(b) if so, what are the concrete steps Government are proposing or have taken to curtail these losses;

(c) whether the Government propose to make any change in the top management of the company; and

(d) if so, whether Government want to give specific targets to the new management?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) SAIL has been consistently making profit since 1984-85 till 1997-98. However, SAIL has suffered a loss (after tax) of Rs. 1574 crores and Rs. 1348 crores (Provisional) during 1998-99 and during the 1st half of 1999-2000 respectively

(b) Government is in constant dialogue with SAIL and is periodically reviewing their performance with a view to increasing their competitiveness and efficiency. Accordingly, to check losses and improve the financial health of SAIL, the Company has drawn up a comprehensive financial and business restructuring plan. The measures outlined in the plan include, *inter-alia:*

(i) A reduction in operational costs by reducing input costs, reducing consumption of raw materials and other inputs and by increasing operating efficiencies;

(ii) Improvement in techno-economic parameters such as fuel and power consumption;

(iii) Increased recovery for services/facilities;

(iv) Right sizing manpower through a Voluntary Retirement Scheme (VRS);

(v) Assets restructuring;

(vi) Disposal of idle assets; and

(vii) Financial restructuring.

(c) No, Sir.

(d) Does not arise.

Expansion of Government Steel Plants

1192. SHRI RAMDAS AGARWAL: Will the Minister of STEEL be pleased to state:

(a) when the last expansion in respect of each Government Steel Plant was undertaken by Government during the last three years;

(b) what are the details thereof (plant-wise) indicating cost over-run because of the delay in execution of the expansion/production capacity (year-wise) till date;

(c) what efforts Government have made, so far, to inquire into the matter and whether any official has been found guilty; and

(d) if not, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) Government Steel Plants have not undertaken any expansion scheme during the last three years.

(b) to (d) Do not arise in view of (a) above.

Losses by Steel Plants

1193. SHRI RAMDAS AGARWAL: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that due to depression in the steel market our steel plants, both in private/public sectors, are incurring huge losses;

(b) if so, what is the total loss figure, year-wise for the last three years suffered by our domestic industry; and

(c) what are Government's plans to revamp Indian steel industry which is facing hard competition in the world market after globalisation indicating the budgetary provisions made during 1999-2000 period?